

Air Pollution Control Board
Brian P. Bilbray District 1
Dianne Jacob District 2
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Leon L. Williams District 4
John MacDonald District 5

Air Pollution Control Officer R. J. Sommerville

## **ADVISORY**

## MOBILE SOURCE EMISSION REDUCTION CREDIT RULE ADOPTED

On November 29, 1994, the Air Pollution Control Board adopted Rule 27 - Mobile Source Emission Reduction Credits. Rule 27 provides a mechanism for registering mobile source emission credits that can be used to meet federal and state stationary source emission offset requirements. Rule development and adoption was strongly supported by industry.

Rule 27 includes five methods for creating credits:

- 1. <u>Accelerated Vehicle Retirement</u> Credits may be created by scrapping older roadworthy vehicles with less sophisticated emission controls.
- 2. <u>Purchasing New Low-Emission Transit Buses</u> Credits may be created by buying surplus low-emission buses, including electric trolley buses.
- Purchasing Zero-Emission Vehicles Credits may be created by purchasing zero-emission vehicles
  (ZEV's) that are not used by vehicle manufacturers to meet state ARB requirements for the average
  emission level of vehicles sold in California.
- 4. Retrofitting Cars, Light-Duty Trucks, or Medium-Duty Vehicles to Reduce Emissions Credits may be created by installing state ARB-certified devices or systems to reduce emissions below original certification standards.
- Retrofitting Heavy-Duty Vehicles to Low-Emission Standards Credits may be created by installing state ARB-certified devices or systems reducing emissions to a low-emission standard.

The rule also includes a general provision for any other program generating mobile source emission credits. This provides the opportunity for innovative programs without waiting for the regulation to catch up with technology.

Application for credits must be made before implementing the emission reductions. The District would evaluate the proposed reductions to verify they qualify for credit. Once created, the District would register the credit in the District "bank" and issue a certificate to the credit owner, specifying the amount and life of the credit, including any necessary conditions. Credits may be used throughout their applicable life for the same purposes as "Class A" stationary source credits issued pursuant to Rule 26.

If you have any questions regarding Rule 27 or this advisory, please call Robert Reider at (619) 694-8852. If you would like a copy of the adopted rule, please call Juanita Ogata at (619) 694-8851.

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